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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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In the Matter of

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

)

Petition for Waiver of the
Cellular Telecommunications Industry
Association

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CC Docket No. 95-116

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DA 97-2579

Telephone Number Portability

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OPPOSITION OF WORLDCOM, INC.

WorldCom, Inc. ("WorldCom") hereby files its opposition to the petition for waiver ("Petition") filed by the Cellular Telecommunications Industry Association ("CTIA") on November 24, 1997 in the above-captioned proceeding. WorldCom opposes CTIA's untimely and unsubstantiated request that the Wireless Telecommunications Bureau ("Bureau") delay the longstanding implementation schedule for wireless local number portability ("LNP").

I. INTRODUCTION AND SUMMARY

WorldCom, Inc. is a premier global telecommunications company. Through its wholly-owned subsidiaries WorldCom Technologies, Inc., MFS Telecom, Inc., WorldCom Network Services (d/b/a WilTel Network Services), and UUNET Technologies, Inc., the new WorldCom provides its business and residential customers with a full range of facilities-based and fully integrated local, long distance, international, and Internet services. In particular, WorldCom currently is the fourth largest facilities-based interexchange carrier ("IXC") in the United States, as well as a significant facilities-based competitive local exchange carrier ("CLEC") and Internet service provider ("ISP"). WorldCom also provides wireless services on

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a resale basis through WorldCom Wireless, Inc.

CTIA's filing seeks a delay in the LNP implementation date for wireless service providers. Specifically, CTIA asks that the Bureau stay the implementation schedule for wireless number portability until March 31, 2000, a full nine months later than the current June 30, 1999 deadline. The trade group cites financial strain, preoccupation with network construction, and unresolved difficult technological issues as reasons meriting the delay.¹

As a facilities-based competitive local exchange company and interexchange carrier, WorldCom well understands the demands and drains upon financial, operational, and staff resources that network construction entails. To that limited extent, WorldCom is sympathetic to CTIA's members and the wireless industry regarding the challenges they face. Moreover, as a provider of wireless services itself, WorldCom is well aware that implementation of wireless LNP poses some uniquely difficult issues for wireless providers. Nonetheless, the CTIA Petition raises far more questions than it actually answers, and certainly does not overcome the Commission's own express findings in this proceeding that wireless LNP should be implemented as quickly as possible. For that reason alone, WorldCom cannot support the Petition.

¹ CTIA Petition at 4-5.

II. THE COMMISSION SHOULD NOT GRANT CTIA'S WAIVER REQUEST

The U.S. Congress mandated local number portability in Section 251(b)(2) of the Telecommunications Act of 1996.² The FCC issued its First Report and Order on local number portability issues on July 2, 1996,³ and then in March 1997 acted on various reconsideration petitions in its First Memorandum Opinion and Order on Reconsideration.⁴ In the reconsideration order, the Commission denied requests by wireless providers for additional time to implement wireless LNP, explaining that:

the schedule for implementation of number portability by cellular, broadband PCS, and covered SMR providers is reasonable and takes into account the current stage of development for wireless number portability. We find that a period of nearly two years is sufficient for wireless carriers either to implement the upgrades necessary to perform the database queries themselves, or to make arrangements with other carriers to provide that capability. We also believe it is reasonable to expect wireless carriers to implement long-term service provider portability, including roaming, in their networks in a period of more than two years.⁵

The Commission did indicate that wireless carriers could file for a waiver of the deadline for a period of up to nine months. However, the Commission reiterated that, for many positive

² 47 U.S.C. Section 251(b)(2) (1996).

³ Telephone Number Portability, First Report and Order and Further Notice of Proposed Rulemaking, 11 FCC Rcd 8352, CC Docket No. 95-116 (1996), recon. pending.

⁴ Telephone Number Portability, First Memorandum Opinion and Order on Reconsideration, CC Docket No. 95-116, adopted March 6, 1997 ("Reconsideration Order").

⁵ Reconsideration Order at para. 134.

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competitive reasons, it is in the public interest for wireless carriers to provide LNP "with as little delay as possible."⁶

Now CTIA has decided to ask the Commission to delay its implementation of wireless LNP for nine months. The fundamental problem with CTIA's Petition is that it fails to adequately explain why circumstances have changed since March 1997 so that its members do not believe they will be able to meet the Commission's deadline. Without such a strong and well-substantiated showing, the Petition cannot overcome the Commission's public interest findings in the Reconsideration Order.

Within the wireline industry, competitive and incumbent local exchange companies have wrestled with the thorny issues of LNP development and implementation. These activities have been accomplished on behalf of both the industry as a whole, and its separate corporate entities. In contrast, the wireless industry by and large has shown only limited involvement in the formative stages of industry LNP design and implementation. Indeed, the wireless industry appears to have abstained from active involvement, likely because it did not face the same imminent deadline as the wireline industry did. This is the case even though CTIA official Arthur L. Prest claims in a declaration that the wireless industry began working on number portability prior to the release of the FCC's First Report and Order.⁷ The Prest Declaration does not substantiate that claim with any hard facts, however; indeed, this lack of substantiation

⁶ Id. at para. 135.

⁷ Prest Declaration at 1, para. 5.

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for other broad statements permeates the entire Petition.

CTIA's Petition states that "It has become apparent that the industry cannot meet the June 30, 1999 deadline for service provider number portability."⁸ According to CTIA, this statement is true because a number of important issues, such as standards, nationwide roaming, and customer service/back office support, remain unresolved. Yet there is no supporting evidence anywhere in the Petition to demonstrate that a nine-month delay will provide sufficient time for the wireless industry to resolve these alleged issues. Nor does the Petition provide information on why resolution has not been reached already on these issues.

A significant portion of the CTIA Petition discusses the standard(s) for splitting the mobile identification number (MIN) from the mobile directory number (MDN).⁹ While the Petition lays out the situation, however, it fails to mention when the industry actually expects to settle on such a standard, or the specific issues involved in timely development and testing of such a standard.

Rather than certain operational or engineering factors, the underlying concern that comes across most strongly in the Petition is the financial factor (as the Petition puts it, how it affects "capital budgeting"). As a carrier facing LNP implementation costs for its local service operations, as well as payments for long distance queries in an LNP environment, WorldCom acknowledges the hard financial reality of implementing LNP. Nonetheless, WorldCom is not

⁸ Petition at 4.

⁹ Petition at 3, 6-7.

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prepared to subsidize the wireless industry when it comes to underwriting LNP development costs.

As the Petition avoids any discussion of the wireless industry bearing its share of LNP costs, WorldCom is concerned that the wireless industry also seeks to delay payments for LNP costs. WorldCom has no desire to continue paying more than its fair share in order to subsidize wireless network construction. Lest the industry forget, the Telecommunications Act mandated all carriers to contribute to LNP -- not just new entrants, or local competitors, or carriers in densely populated areas, or wireline carriers for that matter. There is no need to question who should be paying for LNP: every wireless provider, as well as every wireline carrier, should be contributing to LNP costs.

Nonetheless, WorldCom and several other wireline carriers are shouldering the entire financial burden of implementing LNP. These carriers have already begun to make payments to one LNP vendor, and by June 30, 1999 will have been contributing for more than 18 months for the LNP system known as the NPAC/SMS. If CTIA proposes that the wireless industry begin to pay LNP deployment costs effective immediately, with true-up of bills and burdens back to the first payments, WorldCom would be willing to withdraw its opposition on this point. However, WorldCom has other concerns with the Petition.

For example, and for various reasons which need not be exhumed here, the telecommunications industry, state regulatory commissions, and the Commission face challenges regarding telephone number assignments. Simply put, the industry is running out of telephone

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numbers. One possible solution is number pooling, which in its early stages would allow the assignment of 1,000-telephone number blocks, instead of the currently assigned larger 10,000-number blocks. Allotting these smaller groups of numbers to carriers is one way to extend the reservoir of numbers in existence. To allot numbers in a smaller quantity requires the location routing number (LRN) technology deployed in LNP implementation.

In the past, wireless providers have protested against number pooling and sought to block its implementation, reasoning that, because they have not yet implemented LRN, they cannot benefit from having more numbers available in 1,000 blocks. WorldCom is concerned that wireless carriers will continue to try to block efficient allocation of telephone numbers by wireline carriers and that they will urge that number pooling also be delayed to March 2000 or when wireless carriers implement LRN, whichever comes later.

A further concern is that, because the Petition does not specify why nine months would be sufficient time to resolve the various unspecified remaining issues, additional delay requests may well be filed in the future. As the Commission knows, several wireline carriers already have requested delays in implementing LNP. In its reconsideration order, the Commission chose to grant limited relief, allowing the Phase 1 deadline of Dec. 31, 1997 to be extended to March 31, 1998, and the Phase 2 deadline extended from March 31, 1998 to May 15, 1998.¹⁰ Certainly LNP implementation is a complex undertaking, and it is not out of the

¹⁰ Reconsideration Order at paras. 78-107.

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question to grant wireless providers some very limited flexibility upon a proper showing. WorldCom urges the Commission, however, to include all wireless carriers, as well as wireline carriers, immediately in cost recovery/cost allocation directives, and to limit any deadline extension to what is demonstrably necessary and achievable. In short, wireless carriers must make some difficult decisions and devote the necessary resources to making those decisions. The industry and the public will indeed be better off with all carriers as active participants in LNP.

III. CONCLUSION

The Commission should reject the CTIA petition as unsupported and contrary to the Commission's Reconsideration Order in this proceeding.

Respectfully submitted,



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CERTIFICATE OF SERVICE

I, Cecelia Y. Johnson, hereby certify that I have this 9th day of January, 1998, sent a copy of the foregoing "Comments of WorldCom, Inc." by hand delivery, to the following:

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